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CENTRAL INTELLIGENCE AGENCY

## INFORMATION REPORT

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COUNTRY

Germany (Soviet Zone)

SUBJECT

Decline in Offerings of Agricultural Chemicals

PLACE ACQUIRED  
(BY SOURCE)

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SOURCE

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of potash and  
have been handled through the UK firm, Charles Page and Company, Ltd  
or a US chemical broker. In early 1953, I was notified that Paul Reinhardt  
of Winterthur, Switzerland, was the sole agent for these agricultural chemicals  
originating in Sov Zone Germany.

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of sulphate of ammonia, 21 per cent nitrogen, for December delivery at a  
price of US\$6 below the domestic offerings. At the time of this purchase

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East German potash guaranteed at 59 - 60 per cent purity at  
a price almost competitive with the US product, but

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2. Between June and mid-November, the situation on agri-  
cultural chemicals, especially potash and sulphate of ammonia, in Europe has  
changed considerably. In the wake of this alteration in the market has been the  
US government's offer to buy 140 thousand tons of sulphate of ammonia to be used  
in the rehabilitation of Korea, and only about one-half of the offer has been  
bid upon by European sources. In the meantime, US interests  
in Switzerland and a personal conversation with a US agricultural chemical broker  
who returned from Western Europe in late November lead me to believe that the  
East German chemicals are now and will be in the future in much shorter supply.  
It appears that East German potash and sulphate of ammonia are being shipped to  
the USSR and the satellite countries for farm production in accordance with the  
recently announced Soviet policy of increased food output. This appears to be  
the reason back of the tighter European market in agricultural chemicals but  
only time will permit a more careful analysis of the change in the East German  
offerings.

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PRIMARY SUMMARY

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